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HOLLY L. WOLCOTT
DIVISION HEAD

September 27, 2006

Honorable Members of the City Council
City Hall, Room 395
200 North Spring Street
Los Angeles, California 90012

Council District 4

**REGARDING: THE LARCHMONT VILLAGE (PROPERTY-BASED) BUSINESS
IMPROVEMENT DISTRICT'S 2006 FISCAL YEAR ANNUAL
PLANNING REPORT**

Honorable Members:

The Office of the City Clerk has received the Annual Planning Report for the Larchmont Village Business Improvement District's ("District") 2006 fiscal year (CF 01-2685). The owners' association of the District has caused to be prepared the Annual Planning Report for City Council's consideration. In accordance with Section 36600 et seq. of the California Streets and Highways Code ("State Law"), an Annual Planning Report for the District must be submitted for approval by the City Council. The Larchmont Village Business Improvement District's Annual Planning Report for the 2006 fiscal year is presented with this transmittal for City Council's consideration as "Attachment 1."

BACKGROUND

The Larchmont Village Business Improvement District was established on August 8, 1997 by and through the City Council's adoption of Ordinance No. 171,684, which confirmed the assessments to be levied upon properties within the District, as described in the District's Management District Plan. The City Council established the District pursuant to State Law.

ANNUAL REPORT REQUIREMENTS

The State Law requires that the District's owners' association shall cause to be prepared, for City Council's consideration, an Annual Planning Report for each fiscal year for which assessments are to be levied and collected to pay for the costs of the planned District improvements and activities. The Annual Planning Report shall be filed with the City Clerk and shall refer to the district by name, specify the fiscal year to which



the report applies, and, with respect to that fiscal year, shall contain all of the following: any proposed changes in the boundaries of the district or in any benefit zones within the district; the improvements and activities to be provided for that fiscal year; an estimate of the cost of providing the improvements and the activities for that fiscal year; the method and basis of levying the assessment in sufficient detail to allow each real property owner to estimate the amount of the assessment to be levied against his or her property for that fiscal year; the amount of any surplus or deficit revenues to be carried over from a previous fiscal year; and the amount of any contributions to be made from sources other than assessments levied.

The attached Annual Planning Report complies with the requirements of the State Law and reports that programs will continue, as outlined in the Management District Plan adopted by the District property owners. The City Council may approve the Annual Report as filed by the District's owners' association or may modify any particulars contained in the Annual Planning Report, in accordance with State Law, and approve it as modified.

FISCAL IMPACT

There is no impact to the General Fund associated with this action.

RECOMMENDATIONS

That the City Council:

1. FIND that the attached Annual Planning Report for the Larchmont Village Business Improvement District's 2006 fiscal year complies with the requirements of the State Law.
2. ADOPT the attached Annual Planning Report for the Larchmont Village Business Improvement District's 2006 fiscal year, pursuant to the State Law.

Sincerely,



Frank T. Martinez
City Clerk

FTM:KEK:HLW:MCP:RMH:dv

Attachment: Larchmont Village Business Improvement District's 2006 Fiscal Year
Annual Planning Report

Larchmont Village Property Owners Association
200 North Larchmont Boulevard
Los Angeles, California 90004-3703
Phone (323) 463-4220
Fax (323) 463-4412
tkneafse@pacbell.net

May 6, 2006

Ms. Donna Vong
Administrative Services
Office of the City Clerk, Room 224
200 North Spring Street
Los Angeles, CA 90012

Dear Ms. Vong:

**Re: Activity and Budget Report For Fiscal Year 2005 and Annual Planning
Report for Fiscal Year 2006**

As required by Section 2 (B) of the Agreement between the City of Los Angeles and the Larchmont Village Property Owners Association, this submittal constitutes the Activity Report for the Year VIII (Fiscal Year 2005) of the Larchmont Village Business Improvement District, and the Budget Report for Year IX (Fiscal Year 2006).

The Larchmont Village property-based Business Improvement District (LVPBID), a two block long (1 single, uninterrupted block) corridor, is located within the heart of historic Larchmont Village, bounded on the north by Beverly Boulevard and on the south by First Street. Larchmont Village attracts thousands of tourists each year by its graceful, charming ambience, and also, with its broad range of retail destinations, serves the day-to-day shopping needs of the surrounding residential neighborhood.

The LVPBID was established by City Council ordinance on August 5, 1997. Its first year of operations (and fiscal year) commenced on January 1, 1998 with a Year 1 budget of \$40,000 to accomplish the following activities, which addressed, the priorities within the Management Plan.

In broad terms, the purpose and focus of the LVPBID was to upgrade the exterior environment for shoppers, tourists, business owners and their employees. Specifically, this focus included maintaining, as budget allowed, the surface of the sidewalks with regular pressure cleaning; annual trimming of the ficus trees; providing a sidewalk porter at least one day a week to keep the sidewalks and gutters free of litter; and, on a phased, multi-year schedule, carry out repairs of the sidewalk where the ficus tree roots had caused severe and hazardous buckling.

2005 (Year VII) Activities

Maintenance

Sidewalk Maintenance: The LVBID continued a contract throughout this year for monthly pressure cleaning of the east and west side of Larchmont Boulevard between 1st Street and Beverly Blvd. The vendor is The Resource Collection, who is also responsible for pressure cleaning the lids on the sidewalk trash receptacles on the 2nd Tuesday of each month. This also includes the contract for a 3-yard trash container that is placed in the City parking lot and used by the porter for trash collection.

Sidewalk Porter: The LVBID continued a contract throughout this year for weekly sidewalk porter service from a single individual who works under close supervision of the merchants. The porter services the Boulevard, picking up litter on the sidewalks and from around the receptacles, every Saturday between 11:00 am and 3:00 pm. Starting in the 4th quarter of 2004 the porter hours have been increased to include 2 hours on Sunday, 12 noon to 2 pm and on Thursdays 12 noon to 4 pm.. This is a result of the increased traffic due to the farmers market operating in the City parking lot from 10AM to 2PM on Sundays only.

Maintenance Supplies: This is a new budget item that was included in Year III.

Tree Trimming: The LVBID assumed the responsibility of trimming the district's 45 mature ficus trees and 1 palm tree to ensure trimming was accomplished to the City's specifications, and to ensure aesthetic consistency. The LVBID went out to bid and received a wide range in bids from \$11,000 up to \$30,000. Even though the PBID had only been paying \$5,200 from the previous contractor, the PBID was not pleased with the service. Trimming Land Co. Inc. was chosen and the price was \$11,000. There was a significant improvement in the quality and timing of this company. This is the 2nd year that this company was used and the price remained the same. The merchants and customers expressed a high degree of satisfaction with the new contractor.

Sidewalk Repair: Beyond instituting regular maintenance of the sidewalks and trees, the management Plan noted the need to correct physical hazards on the sidewalks that had been caused by uplifted tree roots, which created a very real liability risk to the adjoining property owners and the City of Los Angeles.

Based upon a consulting study that was performed in 1998, a First Phase of repair was designated, consisting of approximately 1,800 sq. ft of sidewalk on the northeast side of Larchmont Boulevard. This work included root treatment for six trees, installation of root barriers and installation of new sidewalk. The Resource Collection was retained to undertake the First Phase of sidewalk repair.

Although the First Phase work was engineered during fiscal year 1999, the actual construction and root treatment did not begin until January 2000. Over a period of six weeks, the sidewalk was removed, tree roots trimmed under the supervision of the City

Department of Street trees, root barriers were installed around 3 sides of each tree, and new sidewalk installed. The work was coordinated with the City Department of Transportation who oversaw the removal and reinstallation of parking meters, the Department of Public Works who inspected the sidewalk removal and reinstallation, and the Department of Street Trees.

Sections A and B were completed in Year III and Section C was completed during 2001. In 2002 repairs were undertaken at two locations, 119 N. Larchmont (Coldwell Banker building) and 223 to 225-1/2 N. Larchmont (Wine shop, Noni & Girasole). The property owners paid \$19,675.00 and the BID paid for the City 10' portion at a cost of \$13,093.00.

A bid was received from RGA Construction. for the repairs of damaged sidewalks from 131 N. Larchmont through 141-1/2 N. Larchmont. This consists of 136 lineal feet of sidewalk frontage. The total cost of the project was \$25,000 of which the BID will be responsible for \$17,000. The work was completed in the last quarter at a total cost \$21,759.50 with two property owners reimbursing the BID for work done on their 5' setback in the amount of \$8,075.81 for a net cost to the BID of \$13,683.69.

The sidewalk in front of 217 N. Larchmont, this is just north of the City surface parking lot, was demolished and a new sidewalk put in. The damaged sidewalk was due to the ficus tree on the City sidewalk. The new sidewalk was and area of 393 sq. ft. and the total cost was \$5,500. The owner's portion was \$2,700 and the BID portion was \$2,800. The work was completed in April, 2005.

Additional sidewalk repairs were planned for the 4th quarter of 2005 but this was not done because of the BID's inability to get the City to waive permit fees. Hopefully something will be accomplished in 2006. There are 3 areas that are in dire need of repair..

Insurance

Directors and Officers insurance premium was paid in the amount of \$2,370.00 during the 3rd quarter and insurance is currently paid and in effect.

Adm./Mgt Services

Metropolitan Holding Company provides the day to day management of the BID and charges \$350 per month.

Sidewalk Security

This is a new category for the renewed BID. The merchant's association had been paying for a part time security guard who provided both safety and assisted people that had problems because of the uneven sidewalks caused by the ficus tree roots. The BID agreed to help with the cost of the security guard, which was started with the holiday season, Christmas 2002. The total budget for this category is an annual of \$24,000. The BID contributes \$1,666.67 per month.

A list of all fiscal year 2005 expenditures, compared to the projected fiscal year 2006 budget is included with this report as Attachment A.

Fiscal Year 2006 Projected Activities

Revenues

The anticipated Fiscal Year Assessment Revenue projection is \$71,130 with a projected collection total of \$69,000.

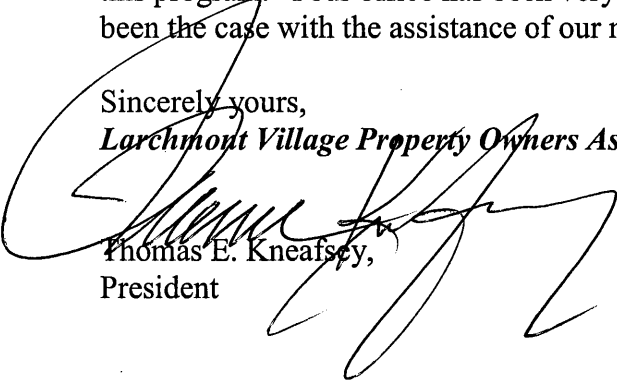
Activities

Fiscal Year 2006 will include a contribution to the Larchmont Boulevard Association (LBA) for trash pick up increased cost. In addition work will be done on filling the tree wells with lava rock. This will help prevent trip and falls due to the grade change in the sidewalks and the tree wells.

Conclusion

Thank you for your assistance throughout the last 8 years of the LVPID's operation and Larchmont Property Owners Association looks forward to the next 7 years of success in this program. Your office has been very helpful in guiding this volunteer program as has been the case with the assistance of our new 4th District Councilman, Tom La Bonge.

Sincerely yours,
Larchmont Village Property Owners Association



Thomas E. Kneafsey,
President

Attachment (1)

Larchmont Village Property Business Improvement District		
2005 Expenditures		
2006 Projected Budget		
	Fiscal Year 2005	Fiscal Year 2006
	Annual Expenditures	Annual Budget
<u>Statement of Activities</u>	<u>1/1/05 - 12/31/05</u>	<u>1/1/06 - 12/31/06</u>
Support and Revenue		
Projected Assessment		71,129.80
Assessment Revenue	64,631.38	69,000.00
Reimbursement		
Interest Income	32.43	50.00
Balance from Prior Year	17,405.52	\$9,439.94
Total Revenue	82,069.33	78,489.94
Expenses		
Sidewalk Cleaning	7,154.16	8,700.00
Sidewalk Daily Maintenance	1,100.00	1,200.00
Sidewalk Porter	12,250.00	12,250.00
Sidewalk Supplies	909.31	1,000.00
Trash Liners (LBA)	804.00	804.00
Trash Pick-Up	3,300.00	13,200.00
Trash Bin (parking lot)	885.72	900.00
Tree Trimming	11,000.00	11,000.00
Sidewalk Repair	2,800.00	5,000.00
Administrative	6,018.50	4,200.00
Insurance	4,370.00	4,500.00
Adm./Mgt. Services	361.00	500.00
Taxes/Fees/Permits	10.00	100.00
Sidewalk Security	21,666.70	15,000.00
Miscellaneous		100.00
Total Expenses	72,629.39	78,454.00
Balance Remaining	9,439.94	35.94

Addendum to the Larchmont Village Property and Business Improvement District's 2006 Annual Planning Report submitted by the Larchmont Village Property Owners' Association

District Boundary Changes for Fiscal Year 2006

There are no proposed changes in the boundaries within the Larchmont Village Property and Business Improvement District (District) for fiscal year 2006.

District Improvements and Activities for Fiscal Year 2006

The Improvements and Activities for fiscal year 2006 include: Sidewalk Cleaning, Sidewalk Porter, Sidewalk Supplies, Sidewalk Repair; Tree Trimming; Sidewalk Security; Administrative and Management Services; Insurance; and Miscellaneous costs.

Estimate Cost of District Improvements and Activities for Fiscal Year 2006

Maintenance	
Sidewalk Cleaning	\$9,600
Sidewalk Porter	\$13,450
Sidewalk Supplies	\$1,804
Trash Pick-up	\$13,200
Sidewalk Repair	\$5,000
Tree Trimming	\$11,000
Security	\$15,000
Administration	
Management Services	\$4,800
Insurance	\$4,500
Miscellaneous	<u>\$200</u>
Total	\$78,554

Method and Basis of Levying the District Assessment

The Method and Basis of levying the Annual Assessment is based on linear street frontage of each assessable parcel at a rate of \$32.12 (31.1187) per linear foot of street frontage along North Larchmont Boulevard. In accordance with the CPI Index for the Los Angeles region, the District's Owners' Association approved an annual assessment rate increased of 3 percent (the maximum amount allowed by the District's Management District Plan) for fiscal year 2006.

Amount of Surplus or Deficit to be Carried Over from a Previous Fiscal Year

There is a surplus of \$9,439.94 to be carried forward into fiscal year 2006.
There are no deficit revenues to be carried forward from a previous fiscal year.

Contributions to the District from Other Sources

There are no contributions to the District from sources other than assessments levied for fiscal year 2006.

Larchmont Village Property Owners Association
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May 8, 2006

Ms. Donna Vong
Administrative Services
Office of the City Clerk, Room 224
200 North Spring Street
Los Angeles, CA 90012

**Re: Larchmont Village Business Improvement Management Plan
Specific Annual Adjustments to the 2006-07 Annual Budget**

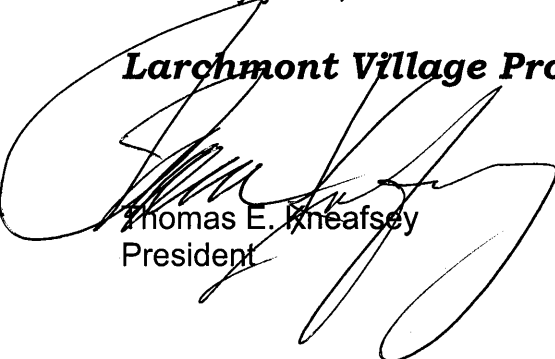
Dear Ms. Vong:

As specified in the Larchmont Village Business Improvement District Management Plan, paragraph 3.4 SPECIFIC ANNUAL ADJUSTMENTS, the PBID Advisory Board has **approved** an increase of 3.0%. This amount is consistent with the annual increase in the Los Angeles/Long Beach Consumer Price Index (CPI) for all urban consumers as indicated on the attached print out by the Department of Labor. The actual change for the period of January 2005 to December 2006 was 4.5% however our management plan only allows a maximum of 3%.

If you have any questions, please do not hesitate to contact me.

Sincerely yours,

Larchmont Village Property Owners Association



Thomas E. Kneafsey
President

This card is available on the Internet on the day of publication at <http://www.bls.gov/ro9/pachist.htm>. This card is also available on our Fax-On-Demand service. To obtain a copy call 415-975-4567. When asked for a document number, enter 9100. Eleven prior months are also on the Fax-On-Demand system, to receive a copy of November 2005, enter 9111, October 2005, enter 9110, September 2005, enter 9109, August 2005, enter 9108, July 2005, enter 9107, June 2005, enter 9106, etc.

CONSUMER PRICE INDEXES PACIFIC CITIES AND U. S. CITY AVERAGE

DECEMBER 2005

ALL ITEMS INDEXES

(1982-84=100 unless otherwise noted)

MONTHLY DATA	All Urban Consumers (CPI-U)							Urban Wage Earners and Clerical Workers (CPI-W)						
	Indexes			Percent Change			Indexes			Percent Change				
				Year ending						Year ending				
	Dec. 2004	Nov. 2005	Dec. 2005	Nov. 2005	Dec. 2005	Dec. 2005	Dec. 2004	Nov. 2005	Dec. 2005	Nov. 2005	Dec. 2005	Dec. 2005		
U. S. City Average.....	190.3	197.6	196.8	3.5	3.4	-0.4	186.0	193.4	192.5	3.5	3.5	-0.5		
(1967=100).....	570.1	592.0	589.4	-	-	-	554.2	576.1	573.3	-	-	-		
Los Angeles-Riverside-Orange Co.....	195.2	205.6	203.9	4.4	4.5	-0.8	188.5	198.4	196.5	4.3	4.2	-1.0		
(1967=100).....	576.7	607.4	602.3	-	-	-	557.2	586.3	580.7	-	-	-		
West.....	194.2	201.4	200.0	3.2	3.0	-0.7	189.4	196.4	194.9	3.3	2.9	-0.8		
(Dec. 1977 = 100)	314.0	325.5	323.3	-	-	-	304.7	316.0	313.6	-	-	-		
West - A*	196.5	204.2	203.0	3.3	3.3	-0.6	190.2	197.7	196.2	3.4	3.2	-0.8		
(Dec. 1977 = 100)	320.5	333.0	331.0	-	-	-	307.9	320.0	317.7	-	-	-		
West - B/C**(Dec. 1996=100).....	119.0	122.8	121.8	2.9	2.4	-0.8	118.6	122.4	121.3	2.9	2.3	-0.9		

BI-MONTHLY DATA	All Urban Consumers (CPI-U)						Urban Wage Earners and Clerical Workers (CPI-W)					
	Indexes			Percent Change			Indexes			Percent Change		
				Year ending						Year ending		
	Dec. 2004	Oct. 2005	Dec. 2005	Oct. 2005	Dec. 2005	2 Months ending Dec. 2005	Dec. 2004	Oct. 2005	Dec. 2005	Oct. 2005	Dec. 2005	2 Months ending Dec. 2005
San Francisco-Oakland-San Jose.....	199.5	205.9	203.4	2.8	2.0	-1.2	195.9	202.6	199.3	3.2	1.7	-1.6
(1967=100).....	613.3	633.1	625.4	-	-	-	596.5	616.9	606.8	-	-	-
Seattle-Tacoma-Bremerton.....	195.1	203.3	200.9	3.5	3.0	-1.2	190.3	198.6	196.1	3.7	3.0	-1.3
(1967=100).....	594.9	619.7	612.4	-	-	-	564.5	589.0	581.7	-	-	-

* A = 1,500,000 population and over

** B/C = less than 1,500,000 population

Dash (-) = Not Available.

Release date January 18, 2006. The next monthly and semi-annual releases are scheduled for February 22, 2006 and the next bi-monthly releases are scheduled to be issued on March 16, 2006.

Anchorage (907) 271-2770
Honolulu (808) 541-2808

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Larchmont Village Property Owners Association
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LARCHMONT VILLAGE PBID COMMITTEE
MINUTES OF MEETING
December 12, 2005

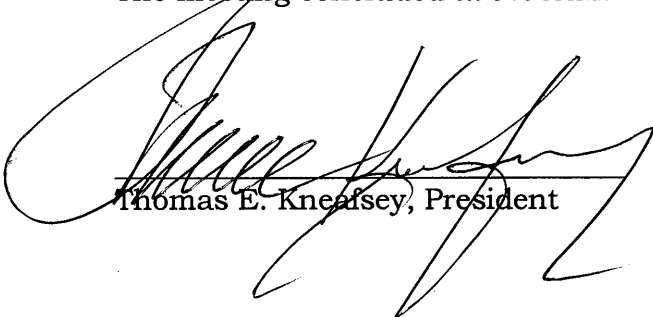
IN ATTENDANCE: Tom Kneafsey, President
Joane Henneberger,
Roger Sherwood, AIA
Mary Frances Fenady

EXCUSED: Cutler Dippell, Eva Yamamoto

The meeting was called to order at 8:00AM. The following issues were discussed:

1. A follow-up was made on last years request that the City be contacted regarding the lack of street sweeping and this seems to have been of benefit.
2. The BID management plan allows for an annual CPI increase with a cap of 3%. The most recent information on the annual change in the CPI for Los Angeles/Long Beach area All Urban Consumers is 4.4%. A motion was made by Mary Frances to allow for a 3% increase, this was seconded by Tom Kneafsey and approved by all present.
3. The current status of the security guard was discussed and more follow up will be needed.
4. Tree wells are still a major complaint from merchants and customers. During the upcoming year this issue needs to be addressed.
5. Tom gave a report on the porter service which is now 4 hours on Thursdays, Saturdays and Sundays.
6. All the expenses were reviewed and are consistent with the budget.
7. The budget for 2006-2007 was approved.
8. Officers for the year 2006 will be as follows: Tom Kneafsey, President; Joane Henneberger, Secretary Treasurer; and Mary Frances Fenady, Vice President.

The meeting concluded at 9:30AM.



Thomas E. Kneafsey, President

Larchmont Village Property Owners Association
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September 18, 2006

donna.vong@lacity.org
Emailed & US MAIL

Ms. Donna Vong
Administrative Services
Office of the City Clerk, Room 224
200 North Spring Street
Los Angeles, CA 90012

Re: ~~2nd~~ Addendum to: Activity and Budget Report For Fiscal Year 2005 and Annual Planning

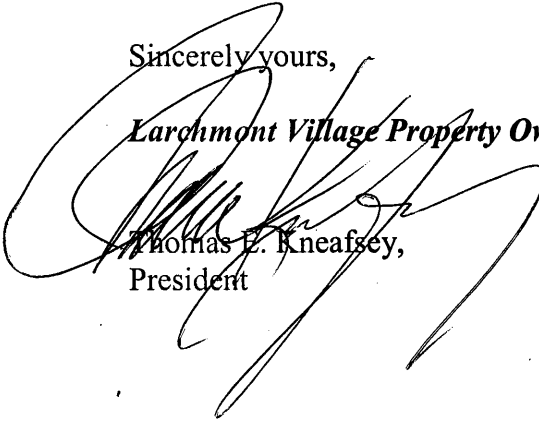
Dear Ms. Vong:

The Annual Budget projection for Fiscal year 2006 had a projected deficit of \$5,064.06. After a close review of the projected expenses for the year 2006; the decision was made to eliminate the security payment for the last quarter of 2006. This expense will be assumed by the Larchmont Boulevard Association. Therefore the 2006 budget for *security* has been reduced from approximately \$20,000 to \$15,000. In addition the *miscellaneous* category was reduced from \$200 to \$100. Attached is a copy of the revised **"2005 Expenditures and 2006 Projected Budget"**.

If you have any questions please do not hesitate to contact me.

Sincerely yours,

Larchmont Village Property Owners Association



Thomas E. Kneafsey,
President